

Everett Retirement Board

Approved October 24, 2003

Authorization for Travel and Travel Related Expenditures

- The Board shall pay for or make reimbursement to Board Members and the staff of the Retirement Board for all authorized travel and lodging expenses. Travel and related expenses are to be approved by the Board in advance of the travel.
- Requests for travel by Board Members shall be placed on a Board meeting agenda, discussed in open session and approved by a majority vote of the Members of the Board present and voting. The meeting minutes shall reflect the Board's action and the extent of the authorization. Staff travel not involving overnight accommodations may be approved by the Chairman and reported at the next meeting.
- The nature of the travel, its purpose and estimated cost shall be outlined on a travel authorization form that has been approved by the Board. The form must include a statement by the traveler, certifying that the expenses were incidental to the approved travel. Brochures for seminars or other presentations should accompany the request for travel where available.

Required Documentation for Reimbursement

- The reimbursement form must be completed and submitted to the retirement office for any reimbursement request. The traveler must certify that the expenses were incurred and were necessary and incidental to the approved travel. Requests for reimbursement must be submitted within a reasonable time after the expenses are incurred, but no later than within 30 days. Any requests for reimbursement should be completed and properly approved after incurring any travel, transportation or meal or other travel-related expenses and before reimbursement takes place.
- Original itemized receipts must be submitted for all expenses including transportation, lodging, and other expenses incidental to travel.
- Any travel-related expenditures which have not been properly documented or approved or are not in conformity with the Board's regulations must be rejected or adjusted. Reimbursement shall only be made to the person who actually made payment for the expense.
- The reimbursement request form must be signed by the person seeking reimbursement and signed under the pains and penalties of perjury.

Travel Arrangements

- The Retirement Analyst is responsible for making all travel arrangements and for assisting Board Members and Board staff in completing authorization and reimbursement forms. When making travel arrangements, government rates or business rates will be secured.

- An extended stay may be authorized if the net cost to the Board will be lower. For example, if airline fare is lowered by staying an extra day and the cost of accommodations and meals for that extra day results in a net savings to the Board, an extended stay can be authorized.

Transportation

- Airline, train, bus, automobile rental, taxi, or other form of public conveyance (as cost effective) may be utilized.
- All travel should be at the lowest fare available, generally economy/coach fare. Airline club memberships are prohibited.
- The source of rental cars must be a national rental agency. The Retirement Analyst will negotiate the rental rate. The most cost-effective class of motor vehicle shall be utilized for rental. It is the traveler's responsibility to verify that the rate charged is the rate negotiated.
- Acceptance of optional insurance coverage for rental cars is required.
- Any motor vehicle accidents, which occur while using a rental car while on Board-approved travel, be reported as soon as practicable, in writing to the appropriate authorities, with copies of all such reports provided to the Board.
- Reimbursement for fines or other expenses incurred as a result of traffic violations while on Board-approved travel is prohibited. The traveler is personally responsible for such expenses.
- Reimbursements for use of personal motor vehicles is allowed when such usage is cost effective. The per-mile expense rate allowed is the IRS approved rate which is currently 32.5 cents and this rate shall automatically adjust to the IRS approved rate changes. In addition, parking fees and toll charges related to authorized travel may be reimbursed.

Lodging

- All reservations for accommodations must be made in advance by the Retirement Analyst. It is the traveler's responsibility to verify that the rate charged is the rate negotiated by the staff member. The class of accommodations that are authorized for reimbursement shall be limited to standard rooms.

Meals

- The maximum daily reimbursable amount for the cost of meals while on Board authorized travel shall be \$10 for breakfast, \$15 for lunch, and \$25 for dinner. The Board may increase this amount if it is determined that a higher amount is warranted for high cost locations. If reimbursement is sought for meal expenses for others, these individuals are to be identified along with their affiliation and a description of the purpose of the meeting. Reimbursement shall be made only for meetings that are for business purposes.

- Registration fees for a conference or seminar may include lodging and meals as long as such is clearly described. Reimbursement for lodging and meals included in the cost of registration is prohibited.

Other Reimbursable and Non-Reimbursable Expenses

- Gratuities paid in accordance with local custom, telephone expenses limited to Board or business-related calls, Internet connections charges, costs for faxing, and costs for necessary copying may be reimbursed.
- Personal expenses, for example, in-room movies, mini-bar charges, gym fees, entertainment or recreational expenses, laundry and dry cleaning and any payments for personal services will not be reimbursed.
- Reimbursement for alcoholic beverages is prohibited.

Cash Advances

- Cash advances in connection with anticipated expenses are prohibited.

Board Credit Cards

- The use of a Board credit card is prohibited.

Personal Travel Combined with Board Related Travel

- In the event that personal travel should be combined with Board-related travel; the personal portion of the trip must be clearly identified and paid for by the traveler. Travel expenses or any other expenses incurred by a spouse, relative, friend or other individual accompanying a Board Member or Board staff member will be considered to be personal travel and will, in no event, be a proper expense of the Retirement Board.

Payments or Reimbursements for Expenses by Third Parties

- The receipt by a Board Member or staff member of anything of substantial value from any person, firm, partnership or other entity which may be reasonably expected to seek to do business with or is seeking to do business with or presently is doing business with a Retirement Board or any person, firm or other entity that solicits or makes referrals or which may be reasonably expected to solicit or make referrals of any client on behalf of such a person, firm, partnership or other entity is prohibited. The receipt of anything of substantial value from such a person, firm, partnership or other entity indirectly through any person, firm, association, organization or other entity is prohibited. In instances where a Board Member or Board staff member participates in a legitimate speaking engagement, the Board shall pay all costs and expenses related to such speaking engagement, provided, that the Board Member or Board staff member complies with all of the Board's travel regulations. The Board may accept reimbursement for such travel-related expenses of a Board Member or a member of the Board's staff from the third party, only under the following limited circumstances:
- A Board Member or a member of a Board's staff may participate in legitimate speaking engagements in connection with their positions on the Retirement Board or as a member of the Board's staff and the Board

may accept reimbursements from third parties necessary to cover travel related costs for such engagements. Acceptance of an honorarium or any other form of compensation is strictly prohibited.

- To be considered a legitimate speaking engagement, the presentation must be formally scheduled on the agenda of a convention or conference.
- The speaking engagement must be scheduled in advance of the Board Member's or staff member's arrival at the event.
- The presentation must be before an organization that would normally have outside speakers address them at such an event.
- The presentation cannot be perfunctory, but should significantly contribute to the event, taking into account such factors as the length of the speech or presentation, the size of the audience, and the extent to which the speaker is providing substantive or unique information or viewpoints.
- The Retirement Board can be reimbursed by a third party for expenses only to the extent necessary for making the speech or presentation.
- Under no circumstances can a Board Member or Board staff member receive reimbursement or any other payment or compensation from a third party.

Violation of These Guidelines or Board Travel Regulations

The Board acknowledges that the Commission will review all circumstances pertaining to travel in accordance with the provisions of these Guidelines. Any person or entity that violates these Guidelines or Retirement Board regulations adopted pursuant to these Guidelines and approved by the Commission shall be deemed to have violated the provisions of 840 CMR 17.00 and shall be subject to removal as a qualified investment manager or consultant pursuant to 840 CMR 17.04(10). In addition, the Commission shall not grant an exemption pursuant to 840 CMR 19.02 or a qualification pursuant to 840 CMR 26.04 if any person or entity that has violated these Guidelines or Retirement Board regulations adopted pursuant to these Guidelines is the subject of the filing pursuant to those provisions.